

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400305453

Date Received:

09/25/2012

PluggingBond SuretyID

20030009

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER _____
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: NOBLE ENERGY INC

4. COGCC Operator Number: 100322

5. Address: 1625 BROADWAY STE 2200

City: DENVER State: CO Zip: 80202

6. Contact Name: Justin Garrett Phone: (303)228-4449 Fax: (303)228-4286

Email: JDGarrett@nobleenergyinc.com

7. Well Name: Wells Ranch State USX Well Number: AA16-68-1HNL

8. Unit Name (if appl): Unit Number:

9. Proposed Total Measured Depth: 15125

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 14 Twp: 6N Rng: 63W Meridian: 6

Latitude: 40.492290 Longitude: -104.412540

Footage at Surface: 577 feet FNL/FSL 240 feet FEL/FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4779 13. County: WELD

14. GPS Data:

Date of Measurement: 05/31/2012 PDOP Reading: 1.7 Instrument Operator's Name: Adam Kelly

15. If well is ☐ Directional ☒ Horizontal (highly deviated) submit deviated drilling plan.

Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
1087 FNL 537 FEL 1090 FNL 1900 FWL
Sec: 15 Twp: 6N Rng: 63W Sec: 16 Twp: 6N Rng: 63W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 227 ft

18. Distance to nearest property line: 240 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 75 ft

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
Niobrara	NBRR		640	GWA

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: 9056-6/S

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☐ No

23b. If 23 is No: ☒ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bond ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

Horizontal wellbore will produce from multiple leases. Please see attached.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 1280

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☐ No

31. Mud disposal: ☒ Offsite ☐ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☒ Land Farming ☐ Land Spreading ☐ Disposal Facility Other: Closed loop

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	18+1/2	16+0/0		0	100	6	100	0
SURF	13+3/4	9+5/8	36	0	600	300	600	0
1ST	8+3/4	7+0/0	26	0	7,122	498	7,122	
1ST LINER	6+1/8	4+1/2	11.6	7000	15,125			

32. BOP Equipment Type: ☒ Annular Preventer ☒ Double Ram ☒ Rotating Head ☐ None

33. Comments First String top of cement will be 200' above Niobrara formation. The production liner will be hung off inside 7" casing. Well is part of a two-well pad consisting of the proposed Wells Ranch State USX AA16-68-1HNL (Doc #400305453) and Wells Ranch State PC USX AA16-69-1HNL (Doc #400305458); multi-well plan attached. Production facilities were already permitted into the existing Wells Ranch Sec 14 EcoNode. Unit Configuration = 6N-63W Sec 15: N/2, Sec 16: N/2. Wellbore also crosses Fee mineral ownership. Noble Energy Inc. requests approval of Rule 318A.a Surface location outside window; 318A.c Twinning location exception, request letter and signed waiver are attached.

34. Location ID: _____

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Justin Garrett

Title: Regulatory Specialist Date: 9/25/2012 Email: JDGarrett@nobleenergyinc.co

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: Matthew Lee Director of COGCC Date: 10/18/2012

API NUMBER

05 123 36183 00

Permit Number: _____ Expiration Date: 10/17/2014

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

- 1) Provide notice of MIRU via an electronic Form 42.
- 2) Comply with Rule 317.i and provide cement coverage from the 7" casing TD to a minimum of 200' above the Niobrara. Verify coverage with a cement bond log.

Operator must meet water well testing requirements per Rule 318A.

Attachment Check List

Att Doc Num	Name
2233064	WAIVERS
400305453	FORM 2 SUBMITTED
400330426	30 DAY NOTICE LETTER
400330428	WELL LOCATION PLAT
400330429	DEVIATED DRILLING PLAN
400330430	LEGAL/LEASE DESCRIPTION
400330433	SURFACE AGRMT/SURETY
400330439	MULTI-WELL PLAN
400330441	EXCEPTION LOC REQUEST
400330445	EXCEPTION LOC WAIVERS
400330448	PROPOSED SPACING UNIT
400330449	DIRECTIONAL DATA

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Horizontal well crosses lease lines within GWA horizontal wellbore unit; distance to lease line is 0'; distance to unit boundary is 537'.	10/18/2012 12:35:34 PM
Permit	State land board ok with location. Final Review Completed. No LGD or public comment received.	10/18/2012 10:38:59 AM
Permit	Well ok to pass once state land board gives the ok.	10/17/2012 8:08:16 AM
Permit	Corrected distance to nearest well per operator.	10/15/2012 7:46:35 AM
Permit	Input Bradenhead and anti-collision BMP per operator.	10/4/2012 9:34:35 AM
Permit	Operator requests exception to Rule 318Am - nearest well at 75'; attached waiver per operator.	10/4/2012 8:59:08 AM
Engineer	Evaluated offset wells for adequate cement coverage.	10/1/2012 1:50:11 PM
Permit	Notified State Land Board.	9/27/2012 8:33:44 AM
Permit	Requested updated distance to nearest lease and BMP's for anti collision and bradenhead. This well is going to produce fee and state minerals. The fee surface owner also has an interest in the fee minerals.	9/27/2012 8:31:53 AM
Permit	Operator requests approval of a Rule 318Aa and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Request and waivers attached.	9/27/2012 8:31:51 AM

Total: 10 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
General Housekeeping	Housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite, suitable facilities. If spills occur prompt cleanup is required to minimize any commingling of waste materials with stormwater runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal or recycling. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup of trash and discarded materials will be conducted at the end of each work day. Cleanup will consist of patrolling the roadway, access areas, and other work areas to pickup trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly.
Storm Water/Erosion Control	Stormwater management plans (SWMP) are in place to address construction, drilling and operations associated with Oil & Gas development throughout the state of Colorado in accordance with Colorado Department of Public Health and Environment (CDPHE) General Permit No. COR- 038637. BMP's will be constructed around the perimeter of the site prior to, or at the beginning of construction. BMP's used will vary according to the location, and will remain in place until the pad reaches final reclamation.
Material Handling and Spill Prevention	Spill Prevention Control and Countermeasures (SPCC) plans are in place to address any possible spill associated with Oil & Gas operations throughout the state of Colorado in accordance with CFR 112.
Drilling/Completion Operations	<p>Anti-collision: Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.</p> <p>During and Post stimulation: Noble Energy will comply with the COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated 5/29/12</p>

Total: 4 comment(s)